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## CITY COUNCIL PASSES TWO NEW OPERATING LEASE AGREEMENTS FOR O'HARE INTERNATIONAL AIRPORT

The Chicago City Council today approved two new operating lease agreements that will maintain critical functions at O'Hare International Airport and continue efforts to modernize operations at the airport.

A new fuel lease agreement replaces the current fuel system lease between the City and various carriers, expiring May 11, 2018. The agreement between the City and the ORD Fuel LLC will ensure continued maintenance and operations of O'Hare's fuel system, and will oversee construction on the hydrant fuel system which is currently being upgraded to serve O'Hare tenants' aircraft fuel needs.

A new agreement also passed for maintenance and operations terminal equipment, including baggage equipment, passenger loading bridges, check-in equipment, and more and terminal-related services. The agreement with Chicago Airlines Terminal Consortium (CATCo) will serve a large number of airlines operating domestic and international passenger flights at O'Hare operating on common use facilities, providing them ground support needed to administer their Chicago flight schedules safely and efficiently. These services are currently in place today for the International Terminal 5, and will expand to cover common use equipment in the domestic terminals to provide consistency across airport operations.

Both of these new agreements will be aligned to the terms of the recently passed airline use and lease agreement, and include standardized provisions for insurance, indemnification, as well as all applicable City M/WBE requirements. The terms of both the fuel and maintenance agreements will run concurrent to the 15-year O'Hare use and lease agreement.

Over the past several months, the Chicago Department of Aviation has worked alongside City Council to execute a number of modern new business agreements for O'Hare. These agreements will ensure the City can recover the full costs of operating one of the world's busiest airports today and as it positions for a major expansion in the next decade.

Just last month, the City Council approved an \$8.5 billon terminal expansion program proposed by the city and its airline partners to launch the largest capital expansion of the airport's history. Over the next eight years, the O'Hare 21 terminal redevelopment will create 25 percent more gate capacity, new amenities and technology to enhance the passenger experience, and more capacity on

every concourse to bolster Chicago's top global connectivity. These investments will create more than  $60,\!000$  jobs over the next eight years and a resounding economic impact for the city and the region for decades to come.

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